

INTRODUCTION

The Osceola County Friend of the Court (FOC) had a contract with the Department of Human Services (DHS) to enforce all orders of support over which the Osceola County FOC had jurisdiction, to locate absent parents, and to provide certain reports on child support collections to the DHS. Osceola County FOC billed DHS monthly under the actual cost reimbursement billing method. DHS reimbursed Osceola County for their costs based on the Federal IV-D Program regulations.

SCOPE

We performed an audit of the costs submitted for reimbursement by the Osceola County FOC for the period October 1, 2004 through September 30, 2005. We performed the audit tests that we determined were necessary to determine if the costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

EXECUTIVE SUMMARY

Based on our audit, we concluded that Osceola County FOC did not comply with the escheat policy outlined in the Michigan IVD Action Transmittal AT-2005-044.

Our report recommends that Osceola County FOC comply with the escheat policy as outlined in the Action Transmittal.

AGENCY RESPONSE

The Osceola County FOC responded on May 12, 2006 that they are in general agreement with this report and have completed all escheating to the State of Michigan.

FINDING AND RECOMMENDATION

Escheating Outstanding Checks

1. Osceola County FOC did not escheat \$7,418.92 to the State of Michigan for outstanding checks over one year old. Michigan IV-D Action Transmittal 2005-044 required the County to escheat outstanding checks more than one year old to the State of Michigan.

WE RECOMMEND the Office of Child Support ensure that the Osceola County FOC escheats the remaining funds to the State of Michigan.